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February 1, 2002

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701 Pennsylvania Ave., NW Third Floor Washington, DC 20004 **202.508.5995** fax 202.508.5924 www.evaa.org The Honorable Spencer Abraham Secretary, U.S. Department of Energy 1000 Independence Avenue, S.W. Washington, D.C. 20585

Dear Secretary Abraham:

I write on behalf of the members of the Electric Vehicle Association of the Americas to request that the Department reverse its current policy prohibiting fleets covered under the alternative fuel vehicle acquisition requirements of the Energy Policy Act (EPAct) of 1992 (P.L. 102-486) from using the acquisition of low speed electric vehicles to demonstrate compliance. We believe, and our legal counsel has affirmed, that low speed electric vehicles (LSVs) meet the characteristics of an "alternative fueled vehicle" as that term is defined in EPAct. Therefore, such a vehicle would satisfy a covered fleet's EPAct acquisition requirements. (See attached memorandum from EVAA's legal counsel.)

The stated objective of EPAct is to reduce petroleum use, and the alternative fuel vehicle fleet requirements are intended to contribute to such a reduction by transitioning key fleets to use of alternatives, like electricity, from gasoline. As evidenced by the Department's own study ("Neighborhood Electric Vehicle Fleet Use, INEEL/EXT-01-00864), low speed electric vehicles are replacing conventional vehicles in fleets covered by EPAct, and are contributing both to petroleum displacement and air emissions avoidance. Our members believe, strongly, that the Department should not discriminate against vehicles that not only can help to achieve the overarching goals of EPAct but which also meet the statutory definition of vehicles required to be acquired by fleets subject to that law.

As you may be aware, major manufacturers, including Ford Motor Company and DaimlerChrysler, currently offer electric LSVs for sale in the U.S., and many other manufacturers, including E-Z-Go Textron, Columbia ParCar, Yamaha Golf Car Company and Club Car, have or are planning soon, to enter this potentially important market. If we are to reap the environmental and energy security benefits that accrue from moving people

and goods with electric transportation options, then we must assure that the products are accepted by the marketplace.

"Early adopters" of any new technology are a critical key to building a sustainable market. The fleets covered by EPAct present a large and critical first market for these new electric products. However, unless and until the Department allows such fleets to count purchases of LSVs towards compliance with EPAct acquisition requirements, market development will be stymied. EVAA is a national, non-profit organization of electric utilities and other energy providers; automobile, bus and other equipment manufacturers and their suppliers; state and local governments, and others that have joined together to advocate greater use of electricity as a transportation fuel. (*A membership list is attached.*)

Our members and our staff have worked closely with the Department over the thirteenyear history of our organization on a variety of matters impacting the battery, hybrid and fuel cell businesses that comprise the electric transportation industry. We have appreciated the Department's leadership and commitment to the development and commercialization of electric and other alternative fuel vehicles, and we are hopeful that you will recognize the importance of the issue raised in this letter and will act immediately to assure that the Department's policies and regulations encourage the development of markets for electric transportation products.

Sincerely,

Kateri Callahan

## Enclosures

cc: EVAA Low Speed Vehicle Subcommittee

**EVAA Public Policy Committee** 

**EVAA** Board of Directors